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~~S-E-C-R-E-T~~Security InformationDEFINITIONS AND TERMINOLOGYConsultative Group and Coordinating Committee  
on International Export Controls (CG/COCOM)

The system of parallel international controls over exports of strategic materials to the Soviet Bloc is being developed on the basis of recommendations made by a secret informal organization of twelve nations in Paris. The administrative aspects of the organization, which comprises a Consultative Group and a subsidiary Coordinating Committee, are described below:

CG - CONSULTATIVE Group, composed of representatives of the twelve PARTICIPATING COUNTRIES (PC's), which meets from time to time to consult on matters of policy and coordinate functions of COCOM. The representatives are on a ministerial level. Its original function of approving COCOM recommendations has largely disappeared since, in practice, these recommendations are forwarded separately to governments.

COCOM - COORDINATING COMMITTEE. An informal committee (i.e., not recognized by treaty) organized for the control of strategic materials to the Soviet orbit. The countries pledge to carry out controls agreed upon, but no international machinery exists to enforce the controls; each country must devise its own controls. COCOM is a permanent and continuing committee and considers specific control measures.

There are twelve countries participating in COCOM: UK, France, Belgium, Luxembourg, Denmark, the Netherlands, Norway, West Germany, Italy, Portugal, the US and Canada. Greece, Turkey and Japan are presently being considered for membership.

LISTS

INT'L LIST I (IL/I) - Commodities agreed by COCOM for international embargo.

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INT'L LIST II (IL/II) - Commodities agreed by COCOM for limitative control [either quantitative quotas, or "quid pro quo" (3D) treatment].

INT'L LIST III (IL/III) - Commodities agreed by COCOM for international exchange of information of shipments. If excessive amounts of any item of this list are shown (by statistical reports) to be shipped by any PC to the orbit, some action may be taken to upgrade said item to List II or I.

US LIST I - The same as International List I.

US LIST IA - Commodities which the US considers strategic enough to be embargoed (the US does embargo them), but which have not been accepted for embargo by COCOM. Some of these items are on International List II or III.

US LIST II - Commodities, the exportation of which the US embargoes to the Soviet Bloc, but which are only under limitative (or quantitative) control by other COCOM participants. The list covers all items on International List II except the International List II items that are on US List IA. The US IA items that are on IL/II, and which are therefore excluded from US II, are specified on the latter list as follows: #2470 (See A 404)".

US LIST IIB - Commodities quantitatively controlled by the US but not by COCOM. Some of these are on International List III. In practice, however, direct exports of US IIB items to the Bloc from the US are completely prohibited.

US LIST IC - Commodities which may support military activity but which are not on US IA or IIB lists, large quantities of which should not be permitted to move to the Bloc. Controlled initially to Subgroup A (see below) destinations, except for approximately 52 items on the Positive List controlled to "B" destinations (see below).

COCOM Doc. 470, attached to Paris Desp. 724, 13 Sept. 1951,  
"Quantitative Controls,--Principles and Procedures."

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US POSITIVE LIST (PL) - All items on International and US Lists plus commodities whose export from the US is controlled for short supply reasons. List is unclassified.

United States Destination Control (for Positive List Items)

No license is required for exports to Canada. No license is required for exports to US territories, possessions, dependencies and Trust Territories of Pacific Islands.

Geographically, the following designations are used in the Comprehensive Export Schedule:

"R" Countries

All the world, (except the Western Hemisphere, U.S. possessions, etc.)

"O" Countries

Western Hemisphere (except Canada, U.S. possessions, etc.)

Sub-Group A (of "R" Countries)

Soviet Bloc, including Communist China and North Korea.

Commodities are designated "R" or "RO" in the Comprehensive Export Schedule.

Basically, the "R" or "RO" designation reflects several factors--strategic importance (US I and IA, II and IIB items usually are "RO", US IC items may be "R"), shortage in the U.S. (items in very short supply usually are "RO" and those less short may be "R"), problems of transshipment (items easily transshipped may be "RO" and those not easily transshipped may be "R"), age of the item, volume of trade, etc.

"R" commodities require a validated export license if exported to "R" countries. ("R" commodities can be shipped without a validated export license to "O" destinations.)

"RO" commodities require a validated export license when exported to any destination.

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United States Quotas (for Positive List Items)

OPEN END - Licensing may be quite restrictive but no definite quantitative limit is stated.

CLOSED - No exports permitted except under unusual circumstances.

RESTRICTIVE - Definite conditions or reservations are attached to licensing procedure.

Brief Summary of Battle Act Export Control Program. (UNCLASSIFIED)

The Battle Act is the third in a series of Congressional enactments (preceded by the Cannon and Ken Amendments) designed to encourage foreign countries receiving US aid to embargo certain goods to Soviet Bloc destinations. The Battle Act is frequently cited as the Mutual Defense Assistance Control Act of 1951.

TITLE I

CATEGORY A - Category A is comprised of arms, ammunition, implements of war, and atomic energy materials. Military, economic, or financial assistance to any nation shall be terminated if such nation knowingly permits the shipment of these items to any nation or combination of nations threatening the security of the United States. Termination of aid under such circumstances is mandatory. No exception can be made.

CATEGORY B - Category B includes petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war. In the event of shipment of any of the Category B items, the President may continue aid if, after consideration of all the circumstances, he decides that cessation of aid would be clearly detrimental to the security of the United States.

Category B covers 264 item listings, generally covering goods which are: (1) designed for the production or development of arms, ammunition and implements of war; (2) used for that purpose even if not specifically designed therefor; (3) representative of significant technological advances of strategic value, particularly in the field of industrial high precision work and mass

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production in support of military potential, or (b) so deficient in the Soviet Bloc as to represent an important obstacle in the maintenance or increase of the military potential in that area.

**TITLE II**

Title II empowers the Administrator to negotiate with any aid recipient to undertake a program for controlling exports of items not subject to embargo under Title I of the statute, but which in judgment of the Administrator should be controlled to any Soviet Bloc destination. All military, economic, and financial assistance is to be terminated when the President determines that an aid recipient country is: either (1) not effectively cooperating with the United States in the control program undertaken with respect to Title II, or (2) is failing to furnish to the United States information sufficient for the President to determine that such country is effectively cooperating with the United States. To date 28 item lists appear on the Title II List. Among these items are rubber and tin. There has been, as yet, no press release covering action taken pursuant to Title II.

**TITLE III**

Title III empowers the President to invite joint cooperation with non-aid-recipient countries either in a group or groups or on an individual basis in controlling the export of commodities referred to under Title I and Title II. The Administrator of the Statute is further charged with the responsibility of conducting a continuous study of the administration of export control measures undertaken by foreign governments in accordance with the provisions of the Act, and making available technical advice and assistance on export control procedures to any nation desiring such cooperation. No official statement has been made as yet concerning the measures taken pursuant to Title III.

Economic Defense Advisory Committee (Pursuant to Battle Act) (RESTRICTED)

On 1 November 1951, W. Overill Harriman, Director for Mutual Security, authorized a group called the "Mutual Trade Security Advisory Committee" (MTSAC) to aid him in carrying out the provisions of Public Law 213, 82nd Congress, Mutual Defense Assistance Control Act (Battle Act) of 26 October 1951. Standing members of this committee included representatives from the Departments of

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State, Treasury, Defense, Commerce, Office of Defense Mobilization, Mutual Security Administration, and the Central Intelligence Agency. Other agencies were to be invited from time to time to participate in meetings where they might have an interest in the particular question under discussion.

As of 24 March 1952 the Administrator, on the recommendation of the Advisory Committee, changed the name of MSA to the Economic Defense Advisory Committee (EDAC).

The Mutual Security Agency (MSA) and the Mutual Defense Assistance Control Administration (MDACA), while both within the administrative structure of the Office of the Director for Mutual Security (ODMS - Mr. Harriman, Director), are separate and distinct entities. MDACA discharges Mr. Harriman's responsibilities under the EDAC Act (Battle Act).

There are two standing committees and several Working Groups set up in the EDAC structure composed of representatives of interested agencies to help Mr. Harriman in advising the President under the terms of the Battle Act:

1. Economic Defense Advisory Committee (EDAC)
2. Economic Defense Advisory Committee Steering Group (EDAC/SG)
3. Economic Defense Security Staff Committee (EDSEC) or Technical Staff (EDAC/TS)
4. EDAC Working Groups ("G"):
  - a. Exceptions
  - b. Legal
  - c. Title II
  - d. Free Ports and Transit Trade
  - e. Collective Measures
  - f. Preclusive buying
  - g. Japanese Program
  - h. Program Funds
  - i. Coal Action
  - j. Economic Defense Work Program
  - k. Cargo Transport Controls
  - l. Studies Coordination.